

United States CONSUMER PRODUCT SAFETY COMMISSION Washington, D.C. 20207

BALLOT VOTE SHEET

T VOTE	SHEET	DATE:	NOV 3 2000
TO	:	The Commission Sadye E. Dunn, Secretary	
FROM	:	Michael S. Solender, General Co	ounsel AS/
SUBJE	CT:	FY 2001 Operating Plan	
		BALLOT VOTE DUE: NOV 2 1 2000	
recom Plan.	mends Comr	, in the attached November 13, 2 mission approval of a FY 2001 Co	2000 document, ommission Operating
I.	APPROVE TH	HE RECOMMENDED OPERATING PLAN AS	DRAFTED.
	/Ci goot in	e) (Date)	
T. T.	(Signature		
II.	CHANGES.	HE RECOMMENDED OPERATING PLAN WI	ITH SPECIFIED
	(Signature	(Date))
III.	DO NOT AP	PROVE THE RECOMMENDED OPERATING	PLAN.
	(Signature	e) (Date)

NOTE: This document has not been reviewed or a real day the Commission.

Initial the Date (1/13/00)

Products Identified

Excepted by

Firms Notified,

Comments Processed



Memorandum

Date:

November 13, 2000

TO

The Commission

THROUGH:

Sadye E. Dunn, Secretary

Michael S. Solender, General Counsel (h)

FROM

Pamela Gilbert

Executive Director

SUBJECT: Fiscal Year 2001 Operating Plan

This memorandum requests Commission approval of the 2001 operating plan. The proposed operating plan adjusts the agency's activities in the President's 2001 budget request to reflect Congressional action and Commission decisions or changes occurring in programs or projects since the development of the 2001 budget request last February.

Overview

The starting points for the development of the 2001 plan were our 2001 budget request and what we actually spent in 2000. Our appropriation, as approved by the Congress and the President, is \$52.5 million, the full amount of our request. This is an increase of \$3.5 million over our 2000 spending of \$49 million. It allows us to continue our current safety program into 2001.

Our employment is currently only about 6 below our funded FTE employment ceiling of 480. We had 53 departures last year with many retirements. During the same period, we hired 56 new employees. We are planning to be at or near full employment soon.

Activity/Project Changes

The proposed changes to Commission activities and projects are described below.

Hazard Identification and Analysis (HIA). There are no substantial changes from the 2001 request. Work will continue to collect death and injury data, investigate incidents, research emerging hazards, and conduct economic studies in support of hazard reduction efforts. We are proposing an increase of \$50,000 to match last year's spending for data entry costs and cases from medical examiners and coroners.

The All-Trauma NEISS system, successfully implemented last year with funding from the Centers for Disease Control and Prevention, will continue. CPSA 6 (b)(1), Cleared

NOTE: This document has not been v de Commission. reviewed or accord Initial M

Products Identified

Hazard Assessment and Reduction (HAR). HAR will operate at the same level as last year with these recommended modifications:

Children's Hazards (Head Injuries)

- Baby Walkers Continue from 2000. Staff plans to complete a briefing package for Commission consideration as to whether to continue or terminate rulemaking.
- Plastic Failures We propose canceling the development of a design guide for the use of plastics in children's products in order to provide staff time for higher priority work.

Children's Hazards (Other)

- Cribs Continue from 2000. Staff plans to complete an assessment of conformance with the
 voluntary standard requirements for slat integrity and prepare a briefing package for
 Commission consideration as to whether to continue or terminate rulemaking. In addition,
 the Conference Report accompanying our appropriation bill urged "... the Commission to
 undertake an initiative to continue its excellent efforts to further reduce crib deaths." The
 staff is currently exploring a partnership initiative to complement our existing crib safety
 efforts.
- Bed Rails This is a new activity. Staff time is included for standards development work.
- Toy Guide Update We reduced contract dollars for the update from \$100,000 to \$50,000. Staff believes that \$50,000 will be sufficient to complete the project.

Fire and Electrocution Hazards

- Upholstered Furniture We deleted contract dollars of \$50,000. The staff has now completed most of the technical work to support the development of a proposed standard.
- Mattress/Bedding Fires Contract dollars are added (\$75,000) to support research on test method development.
- Smoke Alarms We added contract dollars (\$100,000) to fund CPSC's share of the second year of the research project begun in 2000. This is the same amount we contributed last year and equals the amounts that will be contributed by our partners.
- Fire/Gas/Electrical Codes and Standards We added new voluntary standards activities on clothes dryers, candles, and furnaces (flame rollout). We also added voluntary standards activities on tabletop cooking appliances and fire indicators; these activities have been accelerated from the proposed 2002 budget. We deleted contract dollars (\$18,000) to pay fire departments for fire sprinkler incident cases and sprinkler samples because work conducted in 2000 indicated that these cases and samples are not needed.

• Electrocution Voluntary Standards – We deleted work on extension cords because testing in 2000 did not indicate a need for further work.

Household and Recreation Hazards

- Dive Sticks Continues from FY 2000. Staff will respond to NPR comments and prepare a briefing package on a final rule.
- Mechanical Codes and Standards We will continue from 2000 voluntary standards activity work on trampolines.
- Safety for Older Consumers We propose deleting this as a discrete activity, and instead, we plan to consider safety for seniors within individual projects, as appropriate.

Child Poisonings and Other Chemical Hazards

- Phthalates Continue from 2000. In 2001, the CHAP will complete its work and staff will complete the observation study on mouthing behavior, participate in a round robin study to develop a test method for measuring migration, and complete a risk assessment. We added \$11,000 in contract funds for this work.
- CO Poisoning We added a voluntary standard activity to address the potential CO hazard presented by blocked vents on furnaces. We deleted voluntary standards activities on gas space heaters and gas log sets because an evaluation of the standards indicated that no further work is necessary. Contract support of \$15,000 is no longer needed.

This operating plan retains the amount planned for Laboratory maintenance and equipment funding (\$295,000), an increase of \$50,000 over the 2000 plan. We added \$27,000 to Contract Support to match last year's spending for unanticipated needs. We also added \$20,000 to the operating expenses for the Office of Hazard Identification and Reduction to match last year's travel and other expenses in support of standards development work.

Compliance. There are no substantial changes. Work on Section 15 will continue with an emphasis on technologically complex hazards that pose substantial risk of death or injury. The full range of regulated products activity continues. We will continue the ATV program to monitor the ATV industry action plan that began in 1998. We will also continue the Safe-Online-Shopping program to discover Internet sales of hazardous consumer products.

The Office of Compliance is developing the annual voluntary standards monitoring plan for 2001 and will discuss it with the Commission separately.

Consumer Information. Work will continue under the Continuing Publications and Outreach, Clearinghouse, and Public Information Services projects. While calls to our Hotline were down in 2000, the number of e-mail inquiries is up so we recommend maintaining the existing level of funding for the Hotline. This also gives us the flexibility to handle sudden

increases of calls in response to any high profile recall that may occur in the coming year. We are able to reduce funding for Hotline telephone charges by \$20,000 to reflect lower volume and reduced rates.

Agency Management. There are no changes under this program.

Information Technology. Under this operating plan, we can maintain our existing technology and continue to make limited improvements. We were able to upgrade about a third of our computer inventory last year with savings – continued upgrading of our computer inventory will remain a priority for any future savings.

We recommend continuing the Internet development initiative with the support fund of \$92,000 established last year. Our website continues to be a success. In September 2000, the website was one of three federal agencies tied for first place in a study of over 1,800 state and federal websites. We expect to see continued growth in the use of our website. In 2000, a record 3.7 million visits were made, an 85% increase from 1999 in the number of people seeking safety information. Staff will continue to develop proposals to ensure that our website remains successful and up-to-date.

Overhead Savings/Cost Increases. We reviewed our spending for overhead costs and found that we can reduce these costs by \$180,000.

The largest reduction comes from estimated increases budgeted for non-salary inflation costs for services and supplies. After a review of our costs and funding specific cost increases, we have an unallocated balance of \$80,000 available for other use. We also reduced planned expenditures for paper by \$30,000 because of supply purchases made in 2000. We reduced our long distance telephone charges by \$20,000 because of the use of a new contract for long distance telephone services. We reduced budgeted training funds by \$50,000 which still allows us to exceed our expenditures for 2000.

Offsetting these savings, we have funded \$50,000 for enhanced security at our Headquarters office space. We are currently conducting security measures on a trial basis. After evaluation, we will make a recommendation to the Commission. These changes allow us to transfer \$110,000 to meet new program contract needs and \$20,000 to match last year's voluntary standards support needs. In addition, we have funded an increase of \$84,000 for the new employee transit subsidy within our salary and benefit budget.

Attached is a summary of FTE and contract dollar changes by activity and project (attachment A), a summary of FTEs by organization (attachment B), a listing of voluntary standards work planned (attachment C), and a listing of changes to the original 2001 performance plan.

Next Steps

The staff is available to brief you on this memorandum. Following the Commission ballot vote, the staff will make any adjustments directed by the Commission and will submit the operating plan to the House and Senate Appropriations subcommittees for their required approval. This plan will guide Commission work during 2001. We will also update the agency's annual performance plan to reflect the approved operating plan. We will review our progress and the need for changes next spring at mid-year.

Conclusion

The proposed operating plan continues all major activities and priorities of the Commission, reflects changes since the 2001 budget was last approved by the Commission, and provides for limited new initiatives. As noted, we are proposing limited resource changes to meet these objectives; careful monitoring will make sure the adjustments are appropriate over time.

We are confident that the proposed 2001 operating plan makes the best use of the funds appropriated. The plan will allow CPSC to continue making important advancements in product safety for American consumers.

Attachments:

- A Proposed Changes by Activity/Project
- B FTEs by Organization
- C Voluntary Standards Activities (HIR)
- D Proposed Changes to Performance Plan

2001 OPERATING PLAN PROPOSED CHANGES BY ACTIVITY/PROJECT

(dollars in thousands)

	COMMENT		\$50 added to match our 2000 data entry work and MECAP spending	-				\$20 transferred from HAR; \$30 in new funds
CHANGE	CONTRACT		\$50	0	0	0	0	\$50
CH	FTES		0	0	0	0	0	0
PROPOSED PLAN	CONTRACT		\$1,313	09	0	0	21	\$1,394
PROP(FTES		26	21	6	2	4	62
PRESIDENT'S REQUEST	CONTRACT		\$1,263	09	0	0	21	\$1,344
PRESIDI	FTES		26	21	6	2	4	62
	ACTIVITY/PROJECT	HAZARD IDENTIFICATION & ANALYSIS (HIA):	SURVEILLANCE DATA	INVESTIGATIONS DATA	EMERGING HAZARDS	ECONOMIC STUDIES	PROGRAM SUPPORT	TOTAL HIA

	COMMENT		Plastics guide work deleted	Toy Guide contract work reduced, Bed Rails	work added; Crib work continued from 2000 Continued from 2000			Revised estimate	Research on test method		Sprinkler samples not needed; add VS work on	Clothes Dryers, Candles, Furnaces, Table-top	Cooking Appliances	Continued from 2000: 22d	Continued Irom 2000; Znd year contribution	Extenstion cord work deleted			Dive Sticks work added	Trampoline VS work added				Phthalates work continued from 2000	Furnace Vent VS added; reestimate of contract	need; deleted gas space heaters/log sets		\$50,000 higher than 2000	Revised estimate to match 2000 spending			Net change: \$20,000 transferred to HIA; \$100,000 new funds
CHANGE	DOLLARS		0\$	-50	0	-50		-20	75	0	-18		c	9 0	00,	0	107		0	0	0		0	1	-15	4		0	27	0	27	\$80
CHA	FTES		-2.5	-	0.5	-1.0		0	0	0	3		c	, c	- (ငှ	-			-	2		0	0	-	-		0	0	7	-	0
PROPOSED PLAN	CONTRACT		0\$	20		90		0	75	0	2		c	0 0	001 01	0	177		0	0	0		95	1	0	106		295	107	0	402	\$735
PROPC	FTES		6.5	3	0.5	10.0		ည	2	_	10		,	2 +	- (m	32		က	9	6		2	6	က	17		က	0	14	17	82
PRESIDENT'S REQUEST	CONTRACT		0\$	100	0	100	-	20	0	0	20	•	c	o c	o (0	70		0	0	0		95	0	, 15	110		295	80	0	375	\$655
PRESIDE	FTES		_o	7	0	=	ZARDS:	ည	7	_	7		ć	2 <) (9	31	21	2	5	7		D.	6	4	18		က	0	15	18	82
	ACTIVITY/PROJECT	HAZARD ASSESSMENT & REDUCTION (HAR):	CHILDREN'S HAZARDS: CHILD HEAD PRODUCTS	CHILD PRODUCTS-OTHER	BABY WALKERS	SUBTOTAL	FIRE/ELECTROCUTION HAZARDS	UPHOLSTERED FURN	MATTRESS/BEDDING	REV.CIG LIGHTER STD	FIRE/GAS CODES/STDS.		ELECTOR STATE	CMOKE ALABAS	SMURE ALARMS	ELECTROCUTION VS	SUBTOTAL	HOUSEHOLD/RECREATION:	SPORTS/RECREATION	MECH CODES/STDS.	SUBTOTAL	CHILD POISONINGS:	POSION PREVENTION	CHEMICAL HAZARDS	CARBON MONOXIDE	SUBTOTAL	PROGRAM SUPPORT:	LAB SUPPORT	CONTRACT SUPPORT	PROGRAM SUPPORT	SUBTOTAL	TOTAL HAR

ACTIVITY/PROJECT	PRESID FTES	PRESIDENT'S REQUEST CONTRACT FTES DOLLARS	PROP	ROPOSED PLAN CONTRACT ES DOLLARS	FTES	CHANGE CONTRACT S DOLLARS	COMMENT
	65	\$63	64.5	\$63	-0 2	\$0	
	FIRE/ELECTROCUTION HAZARDS:						
	29	339	29	339	0	0	
	13	35	=	35	-5	0	
	80	374	78	374	?	0	
	15	30	16	30	-	0	
	17	82	17	82	Q	0	
	2	35	2	35	0	0	
	3	100	က	100	0	0	
	6	0	10.5	0	1.5	0	New management position added in 2000
	14	135	15.5	135	1.5	0	
	191	\$684	191	\$684	0	\$	
7	CONSUMER INFORMATION (CI):						
-	CONTINUING PUBLICATION & OUTREACH:						
	0	\$164	0	\$164	0	\$0	
	16	0	16	0	0	0	
	16	164	16	164	0	0	
	80	0	8	0	0	0	
				!	•	(
	_	. 457	~	437	0	-20	Telephone cost reduction
	25	217	25	217	0	0	Includes VNR/Information Center work
	26	674	26	654	0	-20	
	4	0	4	0	0	0	
	54	\$838	54	\$818	0	-\$20	
	88	\$81	88	\$81	0	\$0	
	480	\$3,602	480	\$3,712	0	\$110	Net change: -\$20 Telephone savings; +\$130 new
							tunding (excluding new funding for security \$50

iew 550 and \$20 added to operating expenses)

2001 OPERATING PLAN FTES BY ORGANIZATION

Organization	On Board 1/	2001 Request	2001 <u>Op. Plan</u>	<u>Change</u>
Commissioners	12.0	13.0	13.0	
Office of the Secretary	14.0	14.5	14.5	
Office of Congressional Relations	2.0	2.0	2.0	
Office of the General Counsel	13.2	14.0	14.0	
Office of EEOME	3.0	2.0	2.0	
Office of the Inspector General	' 2.0	3.0	3.0	
Office of the Executive Director	3.0	4.0	4.0	
Office of Human Resource Mgmt	8.9	9.0	9.0	
Office of Information Services	30.0	31.5	31.5	
Office of the Budget	4.0	4.0	4.0	
Office of Planning and Evaluation	6.0	6.0	6.0	
Office of Information and Public				
Affairs	8.4	12.0	12.0	
Office of Compliance	49.0	45.0	45.0	
Office of Hazard Identification				
and Reduction	159.3	155.5	155.5	
Directorate for Administration	29.4	29.0	29.0	***
Directorate for Field Operations	130.1	135.5	135.5	
·				
Total	474.3	480.0	480.0	

^{1/} As of October 31, 2000. (Includes pending hires and separations.)

Attachment C

2001 OPERATING PLAN VOLUNTARY STANDARDS ACTIVITIES

Mechanical Codes & Stds.	Children's Products (Other)
16. All Terrain Vehicles	40. Infant Bedding
17. Escalators	41. Toys
18. Garage Doors/Gate Operators	
19. Nail Guns	Sports and Recreation
20. Saws, Chain	42. Bicycle Lighting
21. Saws, Table	43. Exercise Equipment
22. Swimming Pool Alarms	
23. Trampolines	
24. TV Sets/TV Carts	
Children's Products (Head)	Carbon Monoxide
	44. Camping Heaters
	45. Furnaces, Central
I	46. Ranges and Ovens
	47. Vented Gas Room Heaters
29. Carriers, Soft Frame	
30. Changing Tables, Diaper	Poison Prevention
	48. Child Resistant Packaging
32. Helmets, Recreational	
33. Playground Equipment Children Younger Than 2	
34. Playground Equip Home	
35. Playground Equip Public	
36. Playground Surfacing	
37. Play Yards	
38. Swings, Baby	
39. Strollers	
	16. All Terrain Vehicles 17. Escalators 18. Garage Doors/Gate Operators 19. Nail Guns 20. Saws, Chain 21. Saws, Table 22. Swimming Pool Alarms 23. Trampolines 24. TV Sets/TV Carts Children's Products (Head) 25. Baby Bouncers 26. Bassinets and Cradles 27. Bicycles 28. Carriers, Infant 29. Carriers, Soft Frame 30. Changing Tables, Diaper 31. Helmets, Bicycle 32. Helmets, Recreational 33. Playground Equipment Children Younger Than 2 34. Playground Equip. – Home 35. Playground Equip. – Public 36. Playground Surfacing 37. Play Yards 38. Swings, Baby

2001 OPERATING PLAN Changes to 2001 Performance Plan

Goal Area	Page	Original Goal	Description of Change
Head Injury	6	A-1. Prepare and send to	Deleted one activity:
		voluntary standards organizations	Sports Headgear - staff does not plan to develop a voluntary standard proposal for a helmet
		recommendations to strengthen or	used for a recreational activity. For several years, staff has monitored the progress of
		develop two voluntary safety	voluntary standards activities for different types of sports headgear and made proposals as
		standards.	appropriate. We do not see the need for specific proposals in 2001.
	10	A-2. Complete five testing, data	Deleted one activity:
		collection or hazard analysis	Plastic Failures - This activity was deleted in order to provide staff time for higher priority
		activities to evaluate the need for,	work.
		equacy of,	
	=	B-1. Initiate 15 recalls and	Modified:
		corrective actions for unregulated	Based on prior years' experience, we estimate that we will initiate 20 recalls and corrective
	į	products.	actions for unregulated products.
Fire-Related	14	A-1. Prepare for Commission	Transferred two activities:
-			Cigarette Lighters - This activity will be addressed as a technical review (see Fire A-3
		rulemaking or other alternatives.	below)
			Mattresses - This activity will be addressed as a technical review (see Fire A-3. below)
	15	A-2. Prepare and send to	Transferred one activity:
		voluntary standards organizations	Smoke Detectors (Status Indicator) - This activity will be addressed as part of a research
			project (see Fire A-3 below).
		develop five voluntary standards	Completed one activity in 2000; deleted in 2001:
		codes.	Range Fires
			Added one activity:
	• • • • • • • • • • • • • • • • • • • •		National Electrical Code - This new activity was added to support code proposals to require
			expanded are fault circuit interrupter protection for additional circuits in homes.
	15	A-3. Complete six data analysis	Added six activities:
		eview a	Standard Fire Indicators - In 2001, staff will begin a laboratory study of the performance of
		evaluate the need for, or	standard fire indicators currently used in voluntary standards. Data from this study will be
		adequacy of, safety standards.	used to establish heat flux ranges that affect fire risk to determine the adequacy and variability
			or cultering mercalors used to assess the inclinion of consumer products ignifing moustion
	_	, *	controlled, more repeatable test method to be proposed for use in voluntary standards.
			Caulles - CPSC staff will conduct a pilot study of candle fires to determine if voluntary
	_		standards requirements are needed.
			Cigarette Lighters - CPSC published a mandatory standard, which became effective in 1994,
			to require disposable cigarette lighters to be child-resistant. In 2000, CFSC statt completed an evaluation of the effectiveness of the cloarette hobter standard. The evaluation did find that the
			rule was successful in saving about 130 lives annually. Staff will review the evaluation's
			findings to determine if amendments to the standard might be needed.

2001 OPERATING PLAN Changes to 2001 Performance Plan

			Tabletop Cooking Appliances - The use of tabletop grills is associated with potential fire and burn hazards. In 2001, staff will conduct a technical review of incidents and perform laboratory testing of butane and gas tabletop grills. Based on an evaluation of the results, staff will determine if there is a need to make recommendations to improve the safety performance requirements in the voluntary standard.
			Smoke Alarms - CPSC is coordinating a research project begun in 2000 to evaluate the performance of today's smoke alarm technologies. Full-scale tests, funded by several federal agencies and a private organization, began in 2000 at the National Institute of Standards and Technology and will continue in 2001. CPSC staff anticipates using results from this work to identify potential improvements in performance/installation requirements, test methods, alarm technology for residential applications and consumer information. Analysis of the test results and development of recommendations will begin in 2002.
			Mattresses - Staff will participate in the development of a test method to address small open flame ignition of mattresses and bedding
	16	B-2. Correct 400 violations that fail mandatory fire safety	Modified: Based on prior years' experience, we estimate that we will identify and correct 450 violations that fail mandatory fire sefety standards
	17	C-1. Conduct public education efforts.	Added one activity: Recall Roundup – As part of the annual Recall Roundup campaign, encourage consumers to dispose of old electrical products that have a high risk of fire.
Electrocutions	21	B-1. Initiate 25 recalls and corrective actions.	Modified: Based on prior years' experience, we estimate that we will initiate 15 recalls and corrective actions.
Poisoning- Related	24	B-1. Correct 30 violations and initiate recalls.	Modified: Based on prior years' experience, we estimate that we will pursue for recall or other corrective actions a projected 15 products that violate safety regulations.
	24	B-2. Conduct human performance testings.	Deleted: Conduct human performance tests on four packaging designs for compliance with childresistance and adult-friendly requirements.
Carbon Monoxide- Related	27	A-1. Prepare and send to voluntary standards organizations recommendations to strengthen two voluntary standards.	Completed one activity in 2000; deleted in 2001: Gas Space Heaters/Gas Log Sets - Staff reviewed the standard and determined that they adequately addressed the hazard
	28	C-1. Conduct two public education efforts	Deferred one activity to 2002: Nattonwide Outreach: Through the State Partners Program, and implement a public health campaign with all 50 states to inform consumers, health and medical professionals about the hazards of CO poisoning.
Consumer Satisfaction - Hotline	37	A-4. Acknowledge e-mail requests within 8 working hours.	Deferred to 2002: This goal was deferred to 2002 to allow for adequate time to develop the process necessary to support the activity.